

BUSINESS DEVELOPMENT PROCESS

TO ALL WHOM IT MAY CONCERN:

BE IT KNOWN THAT (1) ERNEST A. MARVIN III, (2) BRIAN M. HODOR and (3) JOSEPH M. MONTI, citizens of the United States of America, employees of the United States Government, residents (1) Norwich, County of New London, State of Connecticut, (2) North Kingstown, County of Washington, State of Rhode Island and (3) Johnston, County of Providence, State of Rhode Island, have invented certain new and useful improvements entitles as set forth above of which the following is a specification:

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PATENT TRADEMARK OFFICE

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2 BUSINESS DEVELOPMENT PROCESS

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4 STATEMENT OF GOVERNMENT INTEREST

5 The invention described herein may be manufactured and used
6 by or for the Government of the United States of America for
7 governmental purposes without the payment of any royalties
8 thereon or therefor.

9
10 BACKGROUND OF THE INVENTION

11 (1) Field of the Invention

12 This invention generally relates to a business
13 development process for assessing new business ideas, identifying
14 risk and reward, opportunity analysis, developing proposals, and
15 submitting the new business ideas to either new or existing
16 customers.

17 (2) Description of the Prior Art

18 The current art for business development, particularly in
19 the Department of the Navy, has been virtually nonexistent with
20 the exception of individualized processes that may have been
21 taking place. Accordingly, a need in the art exists for a sound
22 business development process so that decisions can be more easily
23 made while still pursuing new work. With changing times, funding
24 has become more difficult to obtain and the competition for the
25 funding has increased dramatically. With numerous ideas and

1 limited resources, it was determined that a business development
2 process was necessary to identify which ideas were worth
3 pursuing.

4 The following patents, for example, disclose methods and
5 systems for evaluating a variety of choices, but do not disclose
6 a business development process for evaluating new business ideas
7 within the context of determining the potential business outcome
8 of those ideas.

9 U.S. Patent No. 5,627,973 to Armstrong et al.;

10 U.S. Patent No. 5,680,305 to Apgar, IV;

11 U.S. Patent No. 5,717,865 to Stratmann;

12 U.S. Patent No. 6,092,060 to Guinta et al.; and

13 U.S. Patent No. 6,195,643 to Maxwell.

14 Specifically, Armstrong et al. discloses a method and
15 apparatus for evaluating business opportunities for supplying
16 goods and services (such as business forms and services) to
17 potential customers, takes a quantitative approach that allows a
18 user to evaluate a potential customer's needs, and the user's
19 ability to supply those needs, to see what the area of
20 opportunity for the user to supply that need is. Calculations
21 can also be made comparing the user's ability to fulfill the
22 needs to some absolute standard, to also determine an area of
23 emerging technology. A series of questions relating to the
24 customer's level of sophistication for predefined business
25 techniques in a number of different categories are input into a

1 computer, as well as the responses, and weights and values are
2 assigned to the question responses to indicate a level of
3 sophistication for each possible response of each business
4 technique for each separate category. The user's capability of
5 supplying the potential customer's needs are also evaluated and
6 this data is input into a second computer which calculates,
7 taking into account the weights and values, of each separate
8 category, a potential customer's score, the user's score, and the
9 area of opportunity (which is the difference between the
10 customer's score and the user's score). Then, using a computer
11 controlled printer, the calculations are printed out in graphical
12 form on a sheet of paper, along with other human readable
13 indicia, from which an evaluation of the opportunity, as well as
14 a tool to close a business deal, are supplied.

15 The patent to Apgar, IV provides objective evaluations of a
16 business entity's real estate situation and condition for use by
17 customers including (but not limited to) the business entity.
18 Information is processed to determine indicators of amount,
19 price, area, grade, and risk; and those indicators are combined
20 to provide a total score. The system includes a database for
21 storing a variety of data, such as utilization measures and
22 business information, and data corresponding to businesses that
23 are similar to the business entity. Process actuators process
24 the information to derive the several indicators, the score, and
25 other measures, which is printed or displayed for customers

1 and/or the business entity. Preferably, a report is generated
2 which details information including the score to provide a well-
3 rounded picture of a particular real estate situation.

4 Stratmann discloses a method for assisting an individual in
5 making a selection amongst a plurality of choice items. The
6 individual selects decision components having a relevance to the
7 selection of a choice item and assigns values to each of the
8 decision components. The user further assigns expected
9 satisfaction scores to each decision component of each choice
10 item indicating the expected satisfaction to be received from the
11 decision components. The reliability of the expected
12 satisfaction scores is indicated by assigned reliability factors.
13 The assigned component values, expected satisfaction values, and
14 reliability factors are then utilized to rank each of the choice
15 items.

16 Guinta et al. discloses a method and apparatus for computer-
17 aided assessment of an organizational process or system. The
18 method and apparatus are adapted to display computer-displayed
19 questions to an assessor, who then inputs numerical inputs
20 relative to the assessor's perception of the process or system.
21 Filtering techniques inhibit entry of unsupported numerical
22 inputs that may be untrue and/or exaggerated. Sequential
23 questions used in combination provide a more accurate assessment
24 of the system or process, thereby enabling focused audits and/or
25 inspections.

1 The patent to Maxwell discloses a decision making system
2 whereby a method of performing a detailed level evaluation of one
3 or more products or articles based on a decision maker's response
4 to one or more questions relating to the decision maker's
5 requirements is described. The method includes the decision
6 maker responding to the question relating to the decision maker's
7 functional requirement or requirements taking into account a
8 predefined result type. The response is compared with a product
9 result where the product result reflects a particular functional
10 capability of the article or product in relation to the
11 particular question. This produces an evaluation ratio or series
12 of evaluation ratios that are statistically analyzed to
13 determined how well the product or article meets the decision
14 maker's requirements. The method is particularly suitable for
15 analysis of software packages such as accounting packages and the
16 like and provides a way by which a user may determine, at a
17 highly detailed level, the suitability of various packages to the
18 user's requirements.

19 It should be understood that the present invention would in
20 fact enhance the functionality of the above patents by providing
21 a business development process that allows innovators to pursue
22 ideas and determine whether the opportunities for any particular
23 idea are real and worth an investment of time and money to those
24 responsible for development. The process allows for a better
25 commitment of resources and effort. This leads to a much better

1 return on investment due to efficient resource allocation and
2 invites more effective strategic planning, commitment of
3 resources and overall planning.
4

5 SUMMARY OF THE INVENTION

6 Therefore it is an object of this invention to provide a
7 business development process that provides a standard process for
8 an entire company.

9 Another object of this invention is to provide a business
10 development process that identifies criteria relevant to
11 investing in business opportunities for a company.

12 Still another object of this invention is to provide a
13 business development process that provides effective strategic
14 planning, commitment of resources, and overall planning for a
15 company.

16 A still further object of the invention is to provide a
17 business development process that is easily established on a
18 known database and therefore usable by all relevant employees.

19 Yet another object of this invention is to provide a
20 business development process that assesses risks and rewards,
21 compares the assessment to a baseline of proven successful
22 business opportunities, and directs subsequent steps of the
23 process.

24 In accordance with one aspect of this invention, there is
25 provided a business development process including the steps of

1 (a) collecting data for ideas from a plurality of sources, (b)
2 filtering one type of collected idea data from the step of
3 collecting in order to identify potential business opportunities,
4 (c) performing an opportunity analysis in order to identify an
5 opportunity from all of the filtered and collected data ideas to
6 determine valid business opportunities, (d) committing resources
7 to the determined valid business opportunities, (e) developing a
8 business proposal for the determined valid business
9 opportunities, (f) submitting the developed business proposal to
10 a potential buyer of the determined valid business opportunity,
11 (g) determining if submission of the developed business proposal
12 is a success, and (h) executing the business opportunity upon
13 determining that the submission is a success.

14 BRIEF DESCRIPTION OF THE DRAWINGS

15 The appended claims particularly point out and distinctly
16 claim the subject matter of this invention. The various objects,
17 advantages and novel features of this invention will be more
18 fully apparent from a reading of the following detailed
19 description in conjunction with the accompanying drawings in
20 which like reference numerals refer to like parts, and in which:

21 FIG. 1 is a flow diagram of a business development process
22 according to a preferred embodiment of the present invention;

23 FIG. 2 is a flow diagram of a filtering process from FIG. 1
24 according to the present invention;

1 FIG. 3 is a market evaluation worksheet for use in an
2 opportunity analysis stage of FIG. 1;
3 FIG. 4 is an economic evaluation worksheet for use in the
4 opportunity analysis stage of FIG. 1;
5 FIG. 5 is a competitive advantage evaluation worksheet for
6 use in the opportunity analysis stage of FIG. 1;
7 FIG. 6 is a team evaluation worksheet for use in the
8 opportunity analysis stage of FIG. 1;
9 FIG. 7 is a potential flaw evaluation work sheet for use in
10 the opportunity analysis stage of FIG. 1;
11 FIG. 8 is a cover sheet for use in summarizing information
12 from individual worksheets;
13 FIG. 9 is a worksheet for determining risk/reward in a
14 risk/reward assessment stage of FIG. 1;
15 FIG. 10 is a task sheet used if a certain decision step in
16 FIG. 1 is affirmative;
17 FIGS. 11 - 31 are worksheets for use in a capture plan stage
18 of FIG. 1; and
19 FIG. 32 is a flow diagram of a proposal development step of
20 FIG. 1.
21

22 DESCRIPTION OF THE PREFERRED EMBODIMENT

23 In general, the present invention is directed to a process
24 for allowing innovators to pursue ideas, and determine the value
25 of opportunities that have presented themselves. This promotes

1 more innovation, as engineers can better understand where their
2 ideas go and how they are developed. Additionally, this process
3 assesses the risks and rewards, compares that assessment to a
4 baseline of proven successful opportunities, and provides insight
5 to what the next step should be. This invites more effective
6 strategic planning, commitment of resources, and overall planning
7 for certain businesses.

8 Referring first to FIG. 1, the business development process
9 is shown to encompass seven major steps including: Filter;
10 Opportunity Identification; Commit Resources; Develop Proposal;
11 Submittal; Success; and Execute. These steps bring an idea from
12 initial identification through project execution. An idea can
13 come from one of three general sources including a formal data
14 call process 10, an employee 12, or from a request 14 that is
15 either internal or external. The request at 14 can be either
16 from an existing customer or a new customer.

17 In the event that an idea comes from a formal data call at
18 step 10, the idea needs to be filtered at "Filter" (step 16)
19 before moving to the next step. The step of filtering is not
20 performed, however, on idea submissions coming from an employee
21 idea at step 12 or an internal/external request at step 14.
22 Filtering of the formal data call ideas helps to identify the
23 division and/or personnel that can respond to the data call.

24 The filtering process, the first of the major steps and
25 identified at 16 in the flow diagram, is shown in the detail flow

1 diagram of FIG. 2. The ideas from the formal data call process
2 10 are received through publication such as the Commerce Business
3 Daily (CBD) and Broad Agency Announcement (BAA) process. A
4 designated point of contact (POC) will, at step 18, review the
5 Commerce Business Daily and Broad Agency Announcement calls twice
6 weekly for possible ideas and business opportunities. A second
7 individual will determine, at step 20, if the idea collected from
8 the data call is within the core equities of a group. It should
9 be understood that in this instance the group refers to the
10 Surface Undersea Warfare Department of the Navy. The group
11 includes a smaller business development group that is responsible
12 for bringing in new business. The core equities for the example
13 group, the Surface Undersea Warfare Department, include, but are
14 not limited to, Scientific (active and passive signal processing,
15 environmental acoustics, information processing, and acoustic
16 modeling) and Sonar System Engineering (array design, towing and
17 handling systems, rapid prototyping, shipboard installation, test
18 and evaluation, training, in-service engineering, system
19 integration, requirements analysis, and system concept
20 development). The center core equity is Surface Undersea
21 Warfare. It will be appreciated to those skilled in the art that
22 the disclosed business development process, while attributed to
23 this specific department of the Navy, will be easily adapted to
24 virtually any similar type of company, either military or
25 civilian.

1 Continuing, a complete list of announcements that fall
2 within the group's core equities will be distributed, at step 22,
3 to the business development group for review at a weekly
4 Strategic Planning and Development Office (SPDO) staff meeting.
5 The group will select those announcements, at step 24, that will
6 move to the next step in the development process. Ideas that are
7 not recommended for continuation are archived at step 17 (see
8 FIG. 1) for potential review at a later date.

9 At this point, those ideas that continue in the process
10 undergo an opportunity analysis to determine whether the idea is
11 a business opportunity for the department. The opportunity
12 analysis stage is identified at 26 in the flow diagram of FIG. 1
13 and is further set forth in the worksheets of FIGS. 3 through 8.
14 In the opportunity analysis, five areas are analyzed including:
15 the Market (FIG.3); Economics (FIG.4); Competitive Advantage
16 (FIG.5); the Team (FIG.6); and Potential Flaws (FIG.7).

17 In the preferred embodiment, each area of analysis is
18 represented by a worksheet available in a computer spreadsheet
19 program such as Microsoft Excel® or the like. The coversheet
20 shown in FIG. 8 contains a summary of information from the
21 individual worksheets and user data. The originator fills in the
22 coversheet with the idea name, the originator's name, a brief
23 description of the idea, and any external team members involved
24 in the analysis. An idea can be entered in the process with or
25 without team members to determine if a business opportunity

1 exists or if there is value added. The originator then proceeds
2 to the five worksheets, FIGs. 3-7, one for each of the areas to
3 be analyzed. Using a computer having a business development
4 database and including the Excel worksheets described herein, the
5 originator is directed to enter a "1" in an assessment column
6 beside each attribute on the computer worksheet where the
7 attractiveness exists. The space is to be left blank if the
8 assessment factor is not clear or is questionable. The column
9 total will automatically appear on the bottom row and in the
10 appropriate box on the coversheet and is calculated by the
11 spreadsheet computer program.

12 The first of the five worksheets is shown in FIG. 3 and is
13 directed to the Market as it relates to the opportunity analysis.
14 Criteria in the market include the general Market per se with
15 subcategories of Customers, User Benefits, Value Added, Product
16 Life, and Timing. Each of these criteria includes certain
17 attributes. For example, a market that is market driven is
18 considered "high attractive", and a market that is unfocused is
19 considered "low attractive." The customer having high attractive
20 criteria is one that is reachable, whereas a customer with low
21 attractive criteria is one that is loyal to others. A high
22 attractive user benefit is one with less than a one-year payback,
23 and a low attractive user benefit is one with a payback greater
24 than three years. For the value added criteria, there is a high
25 attractive value if the value added is high and a low attractive

1 value if the value added has minimum impact. With regard to
2 product life, a durable product is more attractive than a
3 perishable product. Finally, if the timing is "with the tide" a
4 high attractive value is given, and if the timing is "against the
5 tide", then a low attractive value is given.

6 For an imperfect or emerging market structure, a high
7 attractive value exists but for a concentrated, declining market
8 structure, a low attractive value is entered. The funding
9 potential ranges are given to be greater than \$750K or less than
10 \$500K as the high or low attractive values. It is apparent that
11 these ranges may vary depending upon the economics of the times.
12 Finally, if the potential market share would be that of a leader,
13 or more than 20% of the market, a high attractive value exists.
14 For potential market shares of less than 5%, a low attractive
15 value exists.

16 The bottom line of this (and subsequent) worksheet is a
17 summary of the items for the worksheet. The computer calculates
18 the Assessment summary for each Assessment column, and places the
19 sum of the assessments on the bottom line. The bottom line
20 numbers are automatically placed on the master or cover sheet of
21 FIG. 8 as will be more fully explained below.

22 Referring now to the worksheet of FIG. 4, the Economic
23 attractiveness of a business opportunity is valued. The areas of
24 analysis (criteria) include Time to Break Even, Return on

1 Investment (ROI) potential, Capital Requirements, Impact on
2 Staffing, Room for Error, and Funding Structure.

3 Ranges for time to break even are between two and four
4 years. Less than two years is in the high attractive category
5 and greater than four years is in the low attractive category.
6 If the return on investment is greater than 25%, then a high
7 attractive mark is given and if less than 5%, a low attractive
8 mark is given. In order to gain a high attractive rating,
9 capital requirements should be low to moderate whereas a high
10 capital requirement will receive a low attractive rating. Should
11 there be an increase in staffing of more than two employees per
12 year, then a high attractive value is given, but if there is no
13 impact on staffing, a low attractive value is given. With regard
14 to room for error, this should be forgiving in a high attractive
15 situation. If there is no room for error, then the project is
16 considered to be a low attractive one. Finally, if funding
17 structure permits a multi-year funding ability, then the project
18 is high attractive, and if there is a single year funding
19 requirement, the project is in the low attractive category.

20 The analysis worksheet for competitive advantage of a
21 business opportunity is shown in FIG. 5 and includes numerous
22 criteria such as fixed and variable costs; control over costs,
23 prices, and distribution: barriers to entry (such as proprietary
24 protection, lead time, legal/contractual, contacts/networks, key
25 people, work for private parties (WFPP), foreign military service

1 (FMS), and memorandum of understanding (MOU)); and
2 technology/concept.

3 In connection with the fixed and variable costs, a low value
4 of these is high attractive, whereas a high value of these is low
5 attractive. To obtain high attractive, there must be strong
6 control over costs, prices, and distribution, whereas a weak
7 control thereof is low attractive.

8 Of the barriers to entry into the market, there should
9 presently be or ability to gain access to proprietary protection
10 for high attractive. If there is no access to proprietary
11 protection, then low attractive exists. A significant lead-time
12 ahead of the competition is high attractive, and aggressive
13 competition is low attractive. If there is proprietary or
14 exclusivity with regard to legal/contractual availability, this
15 is high attractive, but if there is no legal/contractual
16 availability, then the project is low attractive.

17 In the case of contacts and networks, these will be well
18 developed for a high attractive rating, but if they are limited,
19 there will be a low attractive rating. Further, if the key
20 people for the project are top talent, then the project is high
21 attractive. If the key people are an unimpressive team, then the
22 project is low attractive. If the business opportunity is
23 executable work for private parties (WFPP), it is high
24 attractive, and if it is non-executable work for private parties,
25 it is low attractive. Work for private parties is a Government

1 agency requirement that may be omitted for commercial
2 enterprises. If foreign military sales are approvable, then a
3 high attractive score is given, but if they are non-approvable, a
4 low attractive score is given. Continuing, if a memorandum of
5 understanding (MOU) is executable, it is high attractive, but if
6 it is non-executable, it is low attractive. Both FMS and MOU
7 criteria are known in the defense industry. These criteria can
8 be replaced with the relevant criteria for other industries.

9 If the technology or concept for the business opportunity is
10 a superior or groundbreaking one, then it is a high attractive
11 project. However, if the technology or concept is one for which
12 substitutes are available, then the project will receive a low
13 attractive rating for the given criteria. Looking now at FIG. 6,
14 there is shown a worksheet relating to an assembled team in
15 connection with the opportunity analysis. Criteria include an
16 entrepreneurial team, industry or technical experience,
17 integrity, intellectual honesty, and stress tolerance. If the
18 entrepreneurial team has vision, radiates competence, and
19 listens, then a high attractive mark is given and if the team is
20 weak, then a low attractive score is given. If the team has top-
21 notch industry or technical experience, then it is given a high
22 attractive rating, and a low industry or technical experience
23 yields a low attractive rating. A high attractive rating is
24 given for those with the highest standards of integrity and a low
25 attractive rating is given if the integrity is questionable.

1 As for intellectual honesty, a high attractive team is one
2 that knows what it doesn't know and listens well, whereas a team
3 that does not listen is a low attractive team. A team that
4 thrives with pressure is considered a high attractive and one
5 that has a low stress tolerance is a low attractive. The
6 computerized calculation will identify if the management team is
7 a core team or if there is any evident weakness of the team.

8 FIG. 7 pinpoints criteria that will identify a potential
9 flaw in the opportunity analysis. These criteria include whether
10 the process is dealing with a real customer, if it is possible to
11 under promise - over deliver, if it is the right corporate
12 culture, an appropriate team with motivation and the correct
13 skills is assembled, questioning whether the market is correct,
14 confidence in general, the level of engineering of a product, if
15 a stress test has been properly conducted, if there are good
16 subcontracting suppliers, if the project/team is trying to do too
17 much, if the team is experienced, if the product is in the right
18 location, if the price is in line with the competition, whether
19 or not the market window is open or closed, if there is
20 competition or a large competitor in that desired space, if
21 authority to act has been given to the team, if the project is
22 allowable within the existing regulatory framework (represented
23 for Government agencies as the Code of Federal Regulations), if
24 the price is fixed contractually, if funding will occur prior to
25 work startup, and if resources for the project are available.

1 Each of these criteria are addressed in general with a yes or no
2 answer and the assessment will lead to a computerized
3 determination of fatal flaws being none/mitigated, or one or more
4 flaws.

5 Once the five worksheets are completed, an overall score
6 will appear on the coversheet of FIG. 8. Interpretation of that
7 score is depicted in Table 1.

8 *Table 1. Idea vs. Opportunity Scores*

Overall Value	Outcome
Opportunity value >> Idea value	Possible opportunity
Idea value >> Opportunity value	Idea only
Opportunity value = Idea value	Possible opportunity
Opportunity value > Idea value	Possible opportunity
Idea value > Opportunity value	Requires additional information to become a possible opportunity

9 Note: >> = much larger value; > = slightly larger value.

10 Referring now to step 28 of FIG. 1, Opportunity
11 Identification determines whether the idea is an opportunity or
12 no opportunity (NOOP). If the idea is determined to be NOOP, it
13 is archived in the business development database at step 30 and
14 feedback is provided to the originator. If the idea is
15 determined to be an opportunity, then a number of tasks need to
16 be performed beginning with the risk/reward assessment at step
17 32.

18 The Risk/Reward Assessment tool is illustrated in FIG. 9.
19 This worksheet is generated by the computer spreadsheet program
20 in conformance with preprogrammed instructions. The worksheet is
21 divided into two sections, one for risk assessment and one for

reward assessment. For risk assessment, a number between 0 (high risk) and 1 (low risk), in increments of one-tenth, is entered for each risk factor. The risk factors are: New Product; New Customer; Cooperative Existing Customer; Team; Time to Meet Milestones/Deliverables; Funding Limited; Customer Pain; and Internal Process.

There are benchmarks given for each of the risk factors as shown in the chart containing the risk assessment portion of FIG.

9. When entering a number into the computerized worksheet representative of the particular risk factor, the benchmark given will be taken into consideration so that an analysis can be made at which side of and how far from (or close to) the benchmark a particular risk factor is. This simplifies the analysis for the assessor.

The numbers are multiplicative; therefore, assigning a 0 to a factor will put the total risk at 0. Table 2 indicates the assigned thresholds for risk assessment based on the total risk calculated.

Table 2. Risk Assessment

Total Risk Threshold	Assessment	Action
0 - 0.002	Too High Risk	Do Not Do It
0.002 - 0.02	High Risk	Talk to the Customer
0.02 - 0.20	Tough, but doable	Move ahead
0.2 - 1	Low Risk	Move ahead

1 The risk criteria values of table 2 can be adjusted through
2 experience with successful and unsuccessful opportunities.

3 For the reward assessment, a 1 (low reward), 2 (moderate
4 reward), or 3 (high reward), in increments of whole integers, is
5 assigned to each of the following reward factors: Sustains/Grows
6 Core Equity; Addresses Critical Need; New Business Development;
7 Competitive Advantage; Increases Market Share; and Increases
8 Professional Reputation.

9 The reward assessment is a process that is evaluated in
10 relation to prior projects that have been benchmarked based on
11 their success. Table 3 below indicates the thresholds for reward
12 assessment based on the total reward calculated.

13 *Table 3. Reward Assessment*

Total Reward Threshold	Assessment	Action
0.3 - 0.55	Low Reward	Probably not do it; however, review risk, talk to customer, and determine future work.
0.55 - 0.8	Moderate Reward	Move ahead based on risk analysis.
0.8 - 1	High Reward	Move ahead based on risk analysis.

14
15 At this point, the data from the worksheet are tallied and
16 entered in the corresponding area of the coversheet of FIG. 8.
17 As above these reward criteria can be assessed with view to the
18 goals of the organization as the business development process is
19 utilized.

1 From here, a potential customer must be identified at step
2 34, and discussions should then begin with that customer to
3 establish a rapport. It is important to work with this customer
4 in a proactive, not reactive way. At this early stage, a
5 presentation should be avoided unless, of course, the customer
6 desires a briefing. This opportunity is entered in the business
7 development database at step 36 for tracking and balanced
8 scorecard assessment. Any problems or priorities are identified
9 and noted at step 38. At step 40, a capture team is identified
10 and a lead, usually the originator, is assigned.

11 The decision to commit resources, step 42, is jointly
12 determined by the business development group and the appropriate
13 larger organization. If the decision is not to commit resources
14 (NO), relevant information is added to the business development
15 database and feedback is provided to the capture team
16 (originator) at step 44. If the response is "MAYBE", customer
17 input is awaited at step 46. If the decision is to commit
18 resources (YES), the process advances to step 48 and a task sheet
19 (Request for Support to Divisions) is forwarded to the
20 appropriate division requesting support. An example of the task
21 sheet is shown in FIG. 10.

22 Prior to receiving the task sheet, discussions will have
23 taken place in the division to determine staffing, funding, and
24 any other issues. The task sheet is never supplied to the
25 division without prior notice. At the time of forwarding the

1 task sheet of FIG. 10, a capture plan is filled out at step 50.
2 The capture plan work sheets are shown in FIGS. 11 through 31.
3 The capture plan is a series of worksheets that can be viewed as
4 a workbook, where the applicable information is self-explanatory.
5 When completed, this plan provides an information package to
6 assist in the development of a proposal and for archival
7 reference concerning the business opportunity.

8 By way of explanation, the proposal capture plan "workbook"
9 begins as shown in FIG. 11 with a cover sheet including the
10 Opportunity Name, the Date, and the Point of Contact. FIG. 12
11 is a worksheet enabling a short, succinct description of what the
12 buyer's needs are. FIG. 13 is a worksheet categorizing the
13 buyers. The buyers include the economic/strategic buyer - one
14 who has final approval to spend money, the user buyer - who will
15 be the primary funder of the offering, the technical/system buyer
16 - the one who checks the offering to ensure that it is
17 technically correct and/or meets specifications, and the coach -
18 someone in the buyer organization who wants the seller to
19 succeed.

20 FIG. 14 is the worksheet that assists in the assembly of the
21 internal capture team. This team will include a handful of
22 people in the selling organization who get together to brainstorm
23 the business opportunity and apply the step-by-step strategy to
24 the opportunity. The internal capture team usually consists of
25 four to seven people whose members represent a cross section of

1 people from all departments of the company. This team will
2 necessarily include some managers in order to assign action items
3 to people. Top management usually does not participate in the
4 sessions but is briefed on the result. In addition, people from
5 other areas in the organization can provide out-of-the-box
6 thinking to the team.

7 FIG. 15 is a worksheet that will contain information needed
8 to pursue the customer. Questions such as "what information do
9 we need?" and "how are we going to get it?" will be answered by
10 an action person assigned to any particular need question.

11 The worksheet of FIG. 16 addresses information required
12 about the buyers. This information collected will specifically
13 answer the question "what do we want to know about the buyers to
14 make an opening statement in the first 18 to 39 seconds?" An
15 action person is assigned to determine what information is needed
16 and how to get it.

17 A worksheet identifying what information is needed about the
18 money available and how it will be obtained is found in FIG. 17.
19 Once again, an action person is assigned to complete this
20 worksheet.

21 The information required on the competition is summarized on
22 the worksheet found in FIG. 18. Here, a list of likely
23 competitors is generated, and an action person assigned to the
24 worksheet will determine what information is needed about the
25 competitor(s) and how it will be obtained. Next, the competition

1 is assessed in the worksheet of FIG. 19, including the strengths
2 and weaknesses of the competition. This worksheet is useful in
3 providing information on other organizations in case it is
4 necessary to team up to get a "killer argument" which is
5 identified as the best possible argument. It also provides
6 information on competitor weaknesses that may be useful in
7 "ghosting" or anticipating the competition.

8 An internal investment will be required and the worksheet of
9 FIG. 20 assists in determining the cost to close the opportunity
10 in question. Specifically, dollar figures will be given to items
11 including the cost of people working on overhead and supporting
12 the marketing effort, travel costs, cost to provide free on-site
13 people at the customer's site, and internal research and
14 development costs such as software development, prototype costs,
15 and cost of demonstrations. Additionally, the cost to write the
16 proposal and any other costs will be determined.

17 In FIG. 21, a worksheet for determining an internal return-
18 on-investment is shown. This worksheet essentially provides a
19 formula of the return-on-investment which is the expected revenue
20 in the first two years of funding divided by the internal
21 investment required (from FIG. 20). The anticipated
22 profitability is presented as a percent.

23 FIG. 22 is a worksheet for identifying the response to the
24 need. In other words, the seller identifies what it is going to
25 offer to the buyer that will satisfy part or all of the buyer's

1 need. Additionally, a worksheet identifying a "killer argument"
2 will be prepared. This worksheet, shown in FIG. 23 examines how
3 the seller can show the buyer that they have satisfied the exact
4 same need for similar buyers recently or in the past by listing
5 examples. If this cannot be shown, it must be determined what
6 can be done to reduce risk in the buyer's mind. To identify what
7 can be done, the seller addresses things that have been done
8 related to the need; other organizations available for teaming
9 with the seller; and the seller's use of experiences held by its
10 vendors, suppliers, subcontractors and consultants.

11 The worksheet of FIG. 24 identifies key and ghosting
12 discriminators. For example, it is determined what is unique and
13 superior about the seller's offering, what can be done to "ghost"
14 the competition, and how the competitors' weaknesses can be
15 countered.

16 A return on investment analysis is performed in the
17 worksheet of FIG. 25. Here, considerations are evaluated
18 including how quickly the solution will pay for itself, how costs
19 can be reduced or avoided, and why should the economic buyer fund
20 the solution. An action person is assigned to obtain the data
21 needed to perform this return on investment analysis.

22 FIG. 26 is a worksheet to assist in assembling a team that
23 can produce a "killer argument". Strategic or political
24 considerations are weighed in selecting this team. Potential
25 teammates are identified with a rationale given for each.

1 FIG. 27 is a worksheet identifying each of the lead
2 salespersons for each of the economic buyers. As identified
3 above, these economic buyers include the economic/strategic
4 buyer, the user buyer, and the technical/system buyer. The
5 sellers and buyers should be matched up based on personality
6 types that match or mirror, seniority level in the organization,
7 and a level of technical knowledge.

8 A worksheet for developing a pre-selling contact plan is
9 shown in FIG. 28. The pre-selling contact plan questions who
10 needs to be pre-briefed, lines up coaches, identifies people in
11 the selling organization who need to be convinced of the merits
12 of the proposal, and similarly identifies people who influence
13 the buyers and need to be convinced of the merits of the
14 proposal.

15 Potential questions and objections and the responses thereto
16 are identified in the worksheet of FIG. 29. An action person is
17 assigned to one or more of the identified questions/objections,
18 determines a response, and the action needed.

19 The worksheet of FIG. 30 assists in the preparation of
20 several appropriate closing proposal approaches. These are
21 chosen from the top closing proposal approaches currently in use
22 and are evaluated by estimated importance to this
23 buyer/opportunity. A plan for using the approach is also
24 formulated.

FIG. 31 is a worksheet directing itemization of the elements of the seller's presentation, including any information that would need to be left with the buyer to influence the economic/strategic buyer should that become necessary.

Referring back to FIG. 1 in step 52, it is determined if a proposal will be developed. If a decision is made to forego the development of a proposal, the information gathered to date is entered in the business development database and appropriate feedback is provided to the capture team at step 54. If a decision is made to develop a proposal, step 56 includes the assignment of a proposal number, which is entered in the business development database, writing of the proposal by selected personnel in the core department and the division, and final review conducted by the core department. The guide for a modular proposal process is shown in FIG. 32.

The modular proposal process begins at step 58 with a kickoff meeting discussing issues such as customer knowledge, evaluation criteria, and "Strengths, Weaknesses, Opportunities, and Threats" (SWOT). The kickoff is followed at step 60 by a proposal win strategy discussion in which a successful strategy is outlined. Next, organization and content of the proposal are developed at step 62, followed by the preparation of section outlines at step 64.

Design reviews are separately conducted of the project at step 66 and the results of these reviews are applied to section

1 strategies at step 68 and compliance sheets at step 70. The data
2 gathered with the section strategies and compliance sheets are
3 input into storyboards at step 72 in coordination with the
4 section outlines of step 64. These storyboards are for the
5 purpose of forcing one to read the Request for Proposal (RFP),
6 answer the mail, and communicate clearly with the customer.

7 A wall review of the storyboard is conducted at step 74 and
8 draft topics are prepared at step 76 which will be presented to
9 the customer. At this stage, a team of seller's employees having
10 a member representing a mock customer is introduced, and the team
11 participates in a wall review of the draft at step 78. The draft
12 is edited at step 80 and a wall review of the proof/galley is
13 prepared at step 82. A wall review including the mock customer
14 occurs at step 84, and a final review and printing are conducted
15 at step 86.

16 Step 88 involves the decision to submit the proposal. If
17 the proposal is not submitted (NO), the business development
18 database is amended with the appropriate information and feedback
19 is provided to the team at step 90. If a question remains as to
20 whether or not to submit the proposal (MAYBE), possible
21 modifications are considered and discussions with the customer
22 occur at step 92. If the proposal is submitted (YES), a
23 presentation is prepared for the actual customer or buyer at step
24 94. Additionally at step 94, negotiations can begin on the work
25 contained in the proposal.

1 The success of the proposal is addressed in step 96. If the
2 proposal is not successful (NO), a post-review is conducted with
3 the team and the actual customer at step 98. If the customer is
4 not available, the proposal leader should bring comments from the
5 customer, addressing the rationale for rejection of the proposal.
6 This information is also entered in the business development
7 database at step 100. If no positive determination can yet be
8 made regarding the success of the proposal (MAYBE), the
9 modifications and customer discussions of step 92 are revisited.

10 If the proposal is successful (YES), the final step is to
11 execute the work at step 102. The execution of the work is the
12 responsibility of the division. Success or failure of an
13 opportunity is entered into the database and used to establish
14 risk criteria used in step 32.

15 There are four tools used in the business development
16 process, as depicted in Table 4.

17 *Table 4. Business Development Process Tools*

Number	Name	Description
1	Opportunity Analysis	Determines whether an idea is either an idea or an opportunity.
2	Risk/Reward Assessment	Identifies the risk and the reward of an opportunity.
3	Code 31B Task Sheet	Used by Code 31B to request support from within the divisions.
4	Capture Plan	Provides a plan for proposal development, POCs, Return on Investment, and Action Items.

18
19 The Surface Undersea Warfare Department (Code 31) at NUWC
20 Division Newport has, in accordance with the described flow

1 diagram of FIG. 1 and related discussion, particularly adopted a
2 standard process for all new business development in the
3 department that injects new thinking into the idea of business
4 development. This process can be both exciting and rewarding to
5 execute. The process allows innovators to pursue ideas, and
6 determine the opportunities that have presented themselves. This
7 promotes more innovation, as engineers can better understand
8 where their ideas go and how they are developed. The process
9 assesses the risks and rewards, compares that assessment to a
10 baseline of proven successful opportunities, and helps determine
11 the next step. This invites more effective strategic planning,
12 commitment of resources, and overall planning.

13 In view of the above detailed description, it is anticipated
14 that the invention herein will have far reaching applications
15 other than those of a business plan applicable only to the Navy.

16 This invention has been disclosed in terms of certain
17 embodiments. It will be apparent that many modifications can be
18 made to the disclosed apparatus without departing from the
19 invention. Therefore, it is the intent of the appended claims to
20 cover all such variations and modifications as come within the
21 true spirit and scope of this invention.